

# CAMPUS CUPCAKES



11/1/2019

Executive Summary by Crystal K. Call

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### I. Company Overview

Campus Cupcakes is a mobile business that provides gourmet themed cupcakes to Snow College students, competing teams and their supporters, as well as community members at sporting and local events across campus. I have a considerable amount of experience working as a self-taught cupcake baker and feel confident I could turn it into a viable business. The cupcakes would be provided regularly on campus and transported via a food truck.

### II. Product

As the sole initial owner of Campus Cupcakes, I will design, market, bake, decorate and sell gourmet cupcakes that are individualized, based on the event for which they are being provided. I will have a few basic recipes that will be used at every event, including the Snow College special: Badger Blue and Orange Cupcake. In addition, I will research the colors and mascots of opposing sporting teams and have cupcakes provided that mimics their team colors as well to sell to their fans. Campus Cupcakes will have the competitive advantage of catering specifically to the events where they are provided. I also have the advantage of being a local since birth who has associated with a large portion of the community and therefore, already have the beginnings of a customer base. I have a lot of creativity and plan to come up with new and inventive recipes that will keep my customers excited about what will come

next. I will primarily sell standard sized cupcakes, with occasional mini-cupcakes and full sized cakes as requested.

### III. Market Analysis

With the recent closing of Fresh Market grocery store in Ephraim, a vacancy has opened for a local bakery that sells cakes and cupcakes to the members of the immediate community. There are whispers within the community of the Fresh Market bakery being opened back up, but at this time, it is closed until further notice. This is an excellent time for me to get my product out there, so that if the Ephraim bakery does open up again, I will already have a market base that has been established while they were out of commission. There are bakeries in both Mt. Pleasant and Gunnison that sell similar products, but it requires a drive of 18-26 miles to reach from Ephraim. My target market includes the large portion of our community that attend Snow College, as well as those that support the college and attend their events. Although there are additional concessions and food trucks present at many of the events at Snow College, to my knowledge, none of them include cupcakes as products they are selling.

### IV. Sales Strategy

I already own all of the equipment required to bake and decorate the cupcakes, except for a way to transport them. With the investment money, I would purchase a used trailer to sell the cupcakes from. I have researched online resources that sell used vehicles and believe I could purchase a reasonably priced 8' x 10' trailer with

the investment money and set it up as a food truck. I have a connection with the local newspaper that would provide inexpensive marketing so that I could get my name out there. I plan to keep well apprised of events happening around campus. With appropriate research and planning, I will be able to attend as many events as possible to sell from. To start out, I will provide a business card with each cupcake sold. Eventually, I would like to have billboards, shirts, and other marketing materials to inform the community about the business. Although I plan for my primary source of revenue to come from sporting and holiday events, I would also like to provide catering services for birthdays, anniversaries, ward parties, weddings etc. as requested.

#### V. Revenue Model

The cost to produce a single cupcake is \$0.20\*. This figure is based on the cost of a standard cake recipe with buttercream frosting. Additional costs would be required for specialized cupcakes that have extra ingredients, as well as any applicable vendor fees. The cupcakes would be made in batches of 48 at a time at a home-based facility. With an investment of \$2,000 provided by Opportunity Quest and by selling the cupcakes at \$2.00 each (net profit \$1.80/cupcake), I would need to sell a minimum of 370 cupcakes per month in order to break even in three months. Gross profit per a batch of 48 cupcakes sold and time required completing a unit of 48 cupcakes, I would be making about \$60.00 per hour before taxes.

\*Full Cost Analysis Available if Requested